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TRUJILLO RODRIGUEZ & RICHARDS, LLC

Lisa J. Rodriguez, Esquire Donna Siegel Moffa, Esquire 8 Kings Highway West Haddonfield, NJ 08033

TEL: (856)795-9002 FAX: (856)795-9887

BERGER & MONTAGUE, P.C. Sherrie R. Savett, Esquire Michael T. Fantini, Esquire Russell D. Paul, Esquire 1622 Locust Street

Philadelphia, PA 19103 TEL: (215) 875-3000 FAX: (215)875-4636

Attorneys for Plaintiff and the Class

UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

Peggy Schneider, on behalf of herself and all others similarly situated,

Civil Action No.

Plaintiff,

VS.

Menu Foods Limited, Menu Foods Inc., and

Menu Foods Midwest Corporation

COMPLAINT - CLASS ACTION JURY TRIAL DEMANDED

Defendants,

PLAINTIFF'S CLASS ACTION COMPLAINT

Plaintiff Peggy Schneider, by her attorneys, alleges upon information and belief, the following:

This class action is brought, and these proceedings instituted, to redress the harms 1. resulting from the manufacture, production, and sale by Menu Foods Limited, Menu Foods Inc. and Menu Foods Midwest Corporation of contaminated dog and cat food marketed under over 90 brand

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names. Plaintiff makes the following allegations, except as to the allegations specifically pertaining to Plaintiff and Plaintiff's counsel, based upon the investigation undertaken by Plaintiff's counsel, which included, <u>inter alia</u>, review and analysis of Defendant's website, press releases, news articles, and pleadings filed in other suits.

PRELIMINARY STATEMENT

- 2. Defendants manufacture and sell over 90 brands of pet food for cats and dogs, including popular labels like Iams and Eukanuba and private label brands sold at large retail chains. On March 16, 2007, the parent company of Menu Foods Limited issued a press release announcing the recall of 60 million cans of contaminated dog and cat food manufactured between December 3, 2006 and March 6, 2007. The recall covers the "cuts and gravy" style pet foods in cans and pouches manufactured at two of Menu Foods Limited's U.S. manufacturing facilities Menu Foods, Inc. and Menu Foods Midwest Corporation, located in New Jersey and Kansas, respectively.
- 3. The recalled pet food that Plaintiff and Class members purchased and fed to their pets caused their pets to become ill through kidney disease, requiring veterinarians visits, medications, hospitalizations and, in some cases, burials of those pets that died due to renal failure caused by the contaminated pet food. Many pets that consumed the recalled tainted food now require ongoing monitoring of their health to ascertain the extent of the damage to their kidneys.
- 4. Plaintiff here seeks damages, injunctive relief, attorneys' fees, and costs against Defendants.

PARTIES

5. Plaintiff Schneider resides at 431 Leconey Avenue, Palmyra, New Jersey 08065. Plaintiff Schneider purchased and fed her dog the pet food that was manufactured by Defendants

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during the Class Period. The dog, Jimmy, became ill with kidney failure and subsequently died.

- 6. Defendant Menu Foods Limited is a Canadian corporation located at 8 Falconer Dr., Mississauga, ON, L5N 1B1. Menu Foods Limited has done business throughout the United States and in the State of New Jersey at all times relevant to this lawsuit.
- 7. Defendant Menu Foods Inc. is a New Jersey corporation, with its headquarters at 9130 Griffith Mogan Lane, Pennsauken, NJ 08110. Menu Foods Inc. has done business throughout the United States and in the State of New Jersey at all times relevant to this lawsuit. Menu Foods Inc. is a wholly-owned subsidiary of Menu Foods Limited and manufactures pet food for distribution in the United States.
- Defendant Menu Foods Midwest Corporation is a Delaware corporation, with its 8. headquarters at PO Box 1046, 1400 East Logan Ave., Emporia, KS 66801. Menu Foods Midwest Corporation has done business throughout the United States and in the State of New Jersey at all times relevant to this lawsuit. Menu Foods Midwest Corporation is a wholly-owned subsidiary of Menu Foods Limited and manufactures pet food for distribution in the United States.
- 9. The events complained of occurred throughout the United States and in the State of New Jersev.

JURISDICTION AND VENUE

- 10. This Court has original jurisdiction over this class action under 28 U.S.C. \$1332(d)(2) because: (i) there are 100 or more class members, (ii) there is an aggregate amount in controversy of at least \$5,000,000, exclusive of interest and costs, and (iii) there is minimal diversity because at least one plaintiff and one defendant are citizens of different states.
 - Venue in this Court is proper in that Defendants transacted business in this county 11.

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and the conduct complained of occurred in this district, as well as elsewhere in New Jersey.

STATEMENT OF FACTS

- 12. Defendants purport to be the leading North American private label/contract manufacturers of wet pet food products sold by supermarket retailers, mass merchandisers, pet specialty retailers, and other retail and wholesale outlets. In 2006, Menu Foods Limited produced more than one billion containers of pet food.
- Defendant Menu Foods Limited is the parent company of, and wholly-owns, both 13. Defendant Menu Foods, Inc. ("MFI"), located in Pennsauken, New Jersey, and Defendant Menu Foods Midwest Corporation ("MFMC"), located in Emporia, Kansas. MFI and MFMC are two of Menu Food Limited's manufacturing facilities in the United States.
- 14. At least from December 3, 2006 through March 6, 2007, Defendants failed to adhere to proper safety standards and failed to ensure that the pet food they manufactured and sold was free from contamination. More specifically, on March 16, 2007, the parent company of Menu Foods Limited issued a press release whereby it announced the recall of a portion of the dog and cat food manufactured between December 3, 2006 and March 6, 2007. The recall covers the "cuts and gravy" style pet foods in cans and pouches manufactured at two of Menu Food Limited's facilities -MFI located in Pennsauken, New Jersey and MFMC in Emporia, Kansas.
 - 15. Reportedly, 60 million cans and pouches of the pet food were recalled.
- On March 30, 2007, U.S. federal investigators reported that they discovered a 16. substance used to make plastic kitchen utensils and fertilizer in samples of the recalled pet food. More specifically, investigators discovered melamine in wheat gluten, one of the ingredients of the pet food, as well as in finished wet dog and cat food in gravy, according to Stephen Sundlof, the

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director of the Center for Veterinary Medicine at the U.S. Food and Drug Administration. Melamine is used as a fertilizer in Asia and is a durable plastic used to make plates and spoons, the FDA said.

- 17. The recalled pet food was sold under more than 90 brand names, including popular labels like Iams and Eukanuba and private label brands sold at large retail chains. A list of all brand names that were recalled is contained on the Company's website and is attached hereto as Addendum A. Retailers who sold the contaminated products include Ahold USA, Kroger Co., Safeway, Wal-Mart, Pet Smart, and Pet Value, among others.
- 18. Menu Foods Limited acknowledges receiving complaints in the United States which raised concern about pet food manufactured since early December 2006, and its impact on the renal health of the pets consuming the products. The Company has discovered that timing of the production associated with these complaints coincides with the introduction of an ingredient from a new supplier.
- Stephen Sundlof of the Food and Drug Administration said that Menu Foods began 19. its own taste tests of its pet food beginning February 27, 2007 in approximately 40 to 50 pets. Within a few days, animals began showing signs of sickness. In early March 2007, 7 animals died. Menu Foods announced its recall weeks later, on March 16, 2007.
- The FDA reports that it received more than 8,000 complaints from owners of sick and 20. deceased pets, as well as calls from veterinarians and pet food companies. The Defendants have reportedly received 300,000 calls from consumers.
- 21. To date, Defendants have confirmed 16 pet deaths. The Veterinary Information Network reported that more than 100 pets have died.
 - 22. Plaintiff Schneider owned a dog named Jimmy. During March 2007, Plaintiff fed

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her dog pet food manufactured by Defendants. On March 9, 2007, Jimmy began vomiting and had diarrhea. Plaintiff took Jimmy to an emergency veterinarian who treated Jimmy overnight. The veterinarian report that Jimmy was suffering from kidney failure. Jimmy was transferred from the emergency veterinarian to the family's veterinarian, who continued medical treatment to Jimmy. Despite medical treatment, Jimmy died on March 13, 2007.

- 23. In addition to Plaintiff Schneider suffering emotional distress from the loss of her dog, she spent approximately \$1,300 in veterinarian bills, which was not covered by insurance. In addition to these costs. Plaintiff Schneider has not received any refunds for the cost of the contaminated pet food that she initially purchased.
- 24. As a result of Defendants' wrongful actions, Plaintiff and Class members have sick or deceased pets, and have suffered economic damages, including, but not limited to, the costs of the recalled pet food, the costs of medical treatment for their pets, burial costs, the costs to replace their pets, and the costs to replace or clean personal property damaged as a result of their pets' illnesses.
- 25. In addition, their pets will require continuous medical monitoring to gauge the longterm effects of the contaminated pet food on their kidney functions and overall health. Therefore, because the precise impact on the health of class members' pets is not currently known, Plaintiff and the Class seek the cost of medical monitoring for their pets.

CLASS ACTION ALLEGATIONS

- 26. Plaintiff brings this action on her own behalf and on behalf of all other persons similarly situated.
 - The class which Plaintiff seeks to represent are composed of all persons in the United 27.

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States who purchased any of the pet food brands manufactured by Defendants during the period commencing December 3, 2006 and ending March 6, 2007 (the "Class Period") that were recalled by Defendants.

- 28. The Class is composed of thousands, and possible millions, of persons, the joinder of whom is not practicable. The disposition of their claims in a class action will benefit both the parties and the Court. Defendants have recalled 60 million cans of pet food that it sold throughout the United States during the Class Period, and thus the Class is sufficiently numerous to make joinder impracticable, if not impossible.
- 29. There are questions of fact and law which are common to all members of the class, including, inter alia, the following:
 - 1. Whether Defendants breached any express or implied warranties when they manufactured and sold the recalled pet food;
 - Whether Defendants' negligently manufactured and sold the recalled 2. pet food; and
 - 3. Whether the Class has been damaged, and if so, the appropriate measure of damages including the nature of the equitable relief to which the class is entitled.
- 30. The above common issues of fact and law predominate over any arguable individualized issues.
- 31. Plaintiff's claims are typical of the claims of the other members of the class because Plaintiff and all of the Class members' damages arise from and were caused by having purchased and fed the recalled pet food to their pets. As a result, the evidence and the legal theories regarding Defendants' alleged wrongful conduct are identical for Plaintiff and all of the Class members.
 - Plaintiff will fairly and adequately protect the interests of the members of the Class, 32.

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and Plaintiff has no interests which are contrary to or in conflict with those of the Class they seek to represent. Plaintiff has retained competent counsel experienced in class action litigation to further ensure such protection and to prosecute this action vigorously.

- 33. The prosecution of separate actions by individual members of the class would create a risk of inconsistent or varying adjudications with respect to individual members of the class, which would establish incompatible standards of conduct for the party opposing the class and would lead to repetitious trials of the numerous common questions of facts and law. Plaintiff does not believe that any difficulty will be encountered in the management of this litigation that would preclude its maintenance as a class action. Plaintiff believes and therefore avers that claims are small in relation to the costs of an individual suit, and a class action is the only proceeding pursuant to which Class members can, as a practical matter, recover. As a result a class action is superior to other available methods for the fair and efficient adjudication of this controversy.
- 34. Proper and sufficient notice of this action may be provided to the Class members through notice published in appropriate publications.
- 35. Plaintiff and the members of the Class have suffered irreparable harm and damages as a result of the Defendants' wrongful conduct as alleged herein. Absent representative action, Plaintiff and the members of the Class will continue to suffer losses, thereby allowing these violations of law to proceed without remedy.

COUNT I - BREACH OF EXPRESS WARRANTY

- 36. Plaintiff incorporates by reference the preceding paragraphs as if they were fully set forth herein.
 - Defendants expressly warranted that the recalled brands of pet food were, in fact, 37.

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ingestible food that was safe for consumption by dogs and cats.

- 38. In addition, Defendants made numerous express warranties about the quality of its food and its manufacturing facilities. For example, Menu Foods touts the claim that it "manufacture[s] the private-label wet pet-food industry's most comprehensive product program with the highest standards of quality" and it operates "state-of-the-art" manufacturing facilities in the United States and Canada.
- Members of the Class were induced by Defendants' labeling, advertising and 39. marketing the recalled brands of pet food as "food" to rely upon said express warranty, and did so rely in purchasing the recalled brands of pet food and feeding them to their pets.
- 40. In reliance on Defendants' untrue warranties, Plaintiffs and the Class purchased the recalled pet food and fed that food to their pets.
- 41. Plaintiff and members of the Class sustained damages as a proximate result of said breach of warranty.

COUNT II - BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY

- 42. Plaintiff incorporates by reference the preceding paragraphs as if they were fully set forth herein.
- 43. Defendants are merchants pursuant to sections 2-104 and 2-314 of the Uniform Commercial Code with respect to pet foods.
- 44. Through Defendants' marketing, labeling, and sales, Defendants impliedly warranted that the recalled pet food, which was sold to Plaintiff and Class members and fed to their pets, was fit for the ordinary purpose for which it was intended, namely, to safely feed and nourish pets without any resulting negative health effects, pursuant to section 2-314 of the Uniform Commercial

Code.

- 45. Through Defendants' marketing, labeling, and sales, Defendants knew that Plaintiff and Class members would purchase the recalled pet food at issue for the ordinary purpose of feeding their pets.
- 46. Defendants manufactured, labeled, advertised, sold, and distributed the recalled pet foods at issue for the ordinary purpose for which it was purchased by Plaintiff.
- 47. Plaintiff and Class members purchased and used the recalled pet foods for the ordinary purposes for which such goods are sold, namely feeding them to their pets.
- 48. Plaintiff and Class members relied upon Defendants' representations and claims in purchasing the recalled pet foods.
- 49. The recalled pet foods purchased by Plaintiff and Class members were unfit for their ordinary purpose when sold. In fact, such pet foods were contaminated and caused severe illness and/or death of the pets that consumed them. Therefore, Defendants breached the implied warranty of merchantability in the sale of the recalled pet foods at issue.
- 50. Plaintiff and members of the Class sustained damages as a proximate result of said breach of warranty.

COUNT III - NEGLIGENCE

- 51. Plaintiff incorporates by reference the preceding paragraphs as if they were fully set forth herein.
- 52. Defendants owed a duty to pet owners who purchased its products to ensure that their pet food was safe for pets to consume and free from contamination, such that no pets consuming these products would be injured or die as a result of such consumption.

- 53. Defendants breached said duty as described herein above when they failed to adhere to proper safety standards and failed to properly ensure the safety of their products when they sold contaminated pet food, proximately causing damage to Plaintiff and members of the Class.
- 55. As a proximate result of the Defendants' conduct described herein, Plaintiff and members of the Class have suffered damages as a result and continue to suffer damages as a result.

JURY DEMAND

Plaintiff hereby requests a trial by jury on all issues triable by right before a jury.

PRAYER FOR RELIEF

THEREFORE, Plaintiff prays for judgment as follows:

- 1. That this Court certify this action as a Class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3), and appoint Plaintiff and her counsel to represent the Class;
- That this Court enter judgment and award damages in favor of Plaintiff and the Class, and against Defendants under the theories alleged herein;
- 3. That this Court establish a fund for the medical monitoring of Class Members' pets to discover and treat the extent of kidney damage these pets have suffered as a result of consuming Defendants' recalled pet food;
- 4. That this Court award Plaintiff and the Class all attorneys' fees, expenses and costs of this suit;
- 5. That this Court award Plaintiff and the Class pre-judgment and post-judgment interest at the maximum rate allowable by law, compounded daily; and
- 6. That this Court grant such other, further, and different relief that the Court deems

necessary, just, and proper.

Dated: April 2, 2007

Respectfully submitted,

TRUJILLO RODRIGUEZ & RICHARDS, LLC

By: /s Donna Siegel Moffa

Donna Siegel Moffa, Esquire Lisa J. Rodriguez, Esquire 8 Kings Highway West Haddonfield, NJ 08033 TEL: (856)795-9002

FAX: (856)795-9887

BERGER & MONTAGUE, P.C. Sherrie R. Savett, Esquire Michael T. Fantini, Esquire Russell D. Paul, Esquire 1622 Locust Street Philadelphia, PA 19103

TEL: (215) 875-3000

FINE, KAPLAN AND BLACK, R.P.C. Roberta D. Liebenberg, Esquire 1835 Market Street - 28th Floor Philadelphia, PA 19103

TEL: (215) 567-6565

Attorneys for Plaintiff and the Class

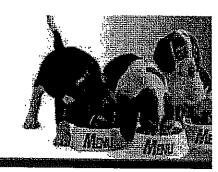
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Schedule A

Recalled Menu Foods' Pet Food Brands¹

http://www.menufoods.com/recall/product_cat.html, accessed March 21, 2007; http://www.menufoods.com/recall/product_dog.html, accessed March 21, 2007.

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Home

Recall Information

Press Release

Cat Product Information

Dog Product Information

Recalled Dog Product Information Recall Information 1-866-895-2708

- 1. Americas Choice, Preferred Pets
- 2. Authority
- 3. Award
- Best Choice
- 5. Big Bet
- 6. <u>Big Red</u>
- 7. <u>Bloom</u>
- 8. <u>Cadillac</u>
- 9. Companion
- 10. Demoulas Market Basket
- 11. Eukanuba
- 12. Food Lion
- 13. Giant Companion
- 14. Great Choice
- 15. Hannaford
- 16. Hill Country Fare
- 17. <u>Hy-Vee</u>
- 18. <u>Iams</u>
- 19. Laura Lynn
- 20. Loving Meals
- 21. Meijers Main Choice
- 22. Mighty Dog Pouch
- 23. <u>Mixables</u>
- 24. Nutriplan
- 25. Nutro Max
- 26. Nutro Natural Choice
- 27. Nutro Ultra
- 28. Nutro
- 29. Ol'Roy Canada
- 30. Ol'Roy US
- 31. Paws
- 32. Pet Essentials
- 33. Pet Pride Good n Meaty
- 34. Presidents Choice
- 35. Price Chopper
- 36. Priority Canada
- 37. Priority US

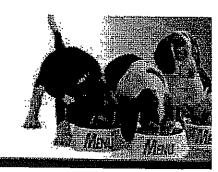
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- 38. <u>Publix</u>
- 39. Roche Brothers
- 40. Save-A-Lot
- 41. Schnucks
- 42. Shep Dog
- 43. Springsfield Prize
- 44. Sprout
- 45. Stater Brothers
- 46. Stop & Shop Companion
- 47. Tops Companion
- 48. Wegmans Bruiser
- 49. Weis Total Pet
- 50. Western Family US
- 51. White Rose
- 52. Winn Dixie
- 53. Your Pet

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TENU FOODS INCOME FUND



Home

Recall Information

Press Release

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Cat Product Information
Dog Product Information

Dog Product Information

Recalled Cat Product Information Recall Information 1-866-895-2708

- 1. Americas Choice, Preferred Pets
- 2. Authority
- 3. Best Choice
- 4. Companion
- 5. Compliments
- 6. Demoulas Market Basket
- 7. Eukanuba
- 8. Fine Feline Cat
- 9. Food Lion
- 10. Foodtown
- 11. Giant Companion
- 12. Hannaford
- 13. Hill Country Fare
- 14. <u>Hy-Vee</u>
- 15. <u>Iams</u>
- 16. <u>Laura Lynn</u>
- 17. <u>Li'l Red</u>
- 18. Loving Meals
- 19. Meijer's Main Choice
- 20. Nutriplan
- 21. Nutro Max Gourmet Classics
- 22. Nutro Natural Choice
- 23. Paws
- 24. Pet Pride
- 25. Presidents Choice
- 26. Price Chopper
- 27. Priority US
- 28. Save-A-Lot
- 29. Schnucks
- Science Diet Feline Savory Cuts Cans
- 31. Sophistacat
- 32. Special Kitty Canada
- 33. Special Kitty US
- 34. Springfield Prize
- 35. Sprout
- 36. Stop & Shop Companion
- 37. Tops Companion

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- 38. Wegmans
- 39. Weis Total Pet
- 40. Western Family US
- 41. White Rose
- 42. Winn Dixie

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